

February 27, 2017

Ms. Rachel E. Dickon Assistant Secretary Federal Maritime Commission 800 North Capitol Street N.W. Washington, DC 20573–0001

## **RE:** Petition of the Coalition for Fair Port Practices for Rulemaking [Petition No. P4–16]

Dear Assistant Secretary Dickon:

The Juice Products Association (JPA) is writing in response to the Federal Maritime Commission (FMC) *Federal Register* notice published on December 28, 2016 concerning a petition for rulemaking from the Coalition for Fair Port Practices. JPA fully supports the policy statement requested by the Coalition which would help bring about more reasonable demurrage and detention practices for cargo moving through our nation's seaports. We urge the FMC to begin a formal rulemaking on this matter as soon as possible.

JPA is the national trade association representing the juice products industry. Our membership represents a diverse spectrum of the industry and includes processors, packers, extractors, brokers and marketers of fruit or vegetable juices, drinks, and bases, as well as industry suppliers and food testing laboratories. Our manufacturers represent over 80% of the US volume of juice and fruit beverage production.

The juice industry is highly dependent on international trade. Many of our members import and export products through US seaports on both coasts and have experienced instances of delays, demurrage, and excessive charges driven by situations completely out of their control.

Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond our members' control. All too frequently shippers and truckers are being charged demurrage and detention penalties for late pickup or return of containers when it is not their fault. If the terminal is closed during normal working hours, or if a container is unavailable for pickup during the free time period due to congestion or other disruption at the port, carriers and terminals should not assess demurrage. The same is true for detention charges when attempts to return an empty container are frustrated. These are real costs that hurt American businesses and American competitiveness.

The Coalition for Fair Port Practices has proposed a policy statement that would help to stop this unfair practice. The FMC has the authority to ensure that demurrage and detention practices are fair and reasonable and it needs to act to address this problem.

The FMC has taken important steps to examine port congestion issues challenging carriers, shippers, terminals and intermediaries. As the next step, we urge you to grant the petition and open a rulemaking on the Coalition's policy statement to ensure that US imports and exports are not burdened with unfair demurrage and detention charges. Thank you for considering our views.

Respectfully,

Carol Freysinger Executive Director

Juice Products Association

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